

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisers.

**If you have sold or transferred** all your shares in **China Starch Holdings Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

---



**CHINA STARCH HOLDINGS LIMITED**

**中國澱粉控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3838)**

**GRANT OF GENERAL MANDATES TO ISSUE AND  
BUY BACK SHARES,  
RE-ELECTION OF DIRECTORS,  
PROPOSED APPOINTMENT OF NEW  
INDEPENDENT NON-EXECUTIVE DIRECTOR  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

---

A notice convening the Annual General Meeting to be held at Macau Room II, Shangri-La Hotel, East Side, Railway Station, 1002 Jianshe Road, Shenzhen, PRC at 10:30 a.m. on 17 May 2016 (Tuesday) is set out on pages 19 to 23 of this circular.

Whether or not you intend to attend the Annual General Meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

13 April 2016

# CONTENTS

	<i>Page</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b>	
Introduction .....	4
Grant of General Mandate, Buy-back Mandate and Extension Mandate .....	5
Re-election of Directors .....	6
Proposed appointment of new independent non-executive Director .....	7
Annual General Meeting .....	7
Actions to be taken .....	8
Recommendations .....	8
General information .....	8
Miscellaneous .....	9
<b>Appendix I – Explanatory Statement on the Buy-back Mandate</b> .....	10
<b>Appendix II – Details of the Directors proposed to be re-elected at the Annual General Meeting</b> .....	15
<b>Appendix III – Details of the proposed new independent non-executive Director to be appointed at the Annual General Meeting</b> .....	18
<b>Notice of Annual General Meeting</b> .....	19

## DEFINITIONS

*In this circular, unless the context otherwise requires, the following expressions have the following meanings:*

“Annual General Meeting”	the annual general meeting of the Company to be convened and held at Macau Room II, Shangri-La Hotel, East Side, Railway Station, 1002 Jianshe Road, Shenzhen, PRC at 10:30 a.m. on 17 May 2016 (Tuesday) and any adjournment thereof, the notice of which is set out on pages 19 to 23 of this circular
“Articles”	the articles of association of the Company, as amended from time to time
“associates”	has the same meaning as defined under the Listing Rules
“Board”	the board of Directors
“Branch Share Registrar”	Tricor Investor Services Limited, located at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, the branch share registrar and transfer office of the Company in Hong Kong
“Buy-back Mandate”	a general and unconditional mandate proposed to be granted to the Directors to enable them to buy back Shares, the aggregate number of which shall not exceed 10% of the total number of Shares in issue as at the date of passing the relevant resolution at the Annual General Meeting
“close associates”	has the same meaning as defined under the Listing Rules
“Companies Law”	the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	China Starch Holdings Limited, a company incorporated under the laws of the Cayman Islands with limited liability and the Shares of which are listed on the main board of the Stock Exchange

## DEFINITIONS

“core connected person”	has the same meaning as defined under the Listing Rules
“Director(s)”	director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that any Shares bought back under the Buy-back Mandate will be added to the total number of Shares which may be allotted, issued and dealt with under the General Mandate
“General Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue and deal with Shares up to a maximum of 20% of the total number of issued Shares as at the date of passing the relevant resolution at the Annual General Meeting
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	7 April 2016, being the latest practicable date prior to the printing of this circular for ascertaining certain information herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company

## DEFINITIONS

“Shareholder(s)”	holder(s) of Share(s) whose name(s) are duly registered from time to time in the register of members of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.



**CHINA STARCH HOLDINGS LIMITED**

**中國澱粉控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3838)**

*Executive Directors:*

Mr. Tian Qixiang (*Chairman*)  
Mr. Gao Shijun (*Chief Executive Officer*)  
Mr. Yu Yingquan  
Mr. Liu Xianggang

*Registered office:*

Cricket Square, Hutchins Drive,  
P.O. Box 2681,  
Grand Cayman KY1-1111,  
Cayman Islands

*Independent non-executive Directors:*

Mr. Yue Kwai Wa, Ken  
Mr. Chen Zhijun  
Mr. Sun Mingdao

*Head office and principal place  
of business in Hong Kong:*

Suite 3312, Tower 1,  
Times Square,  
1 Matheson Street,  
Causeway Bay,  
Hong Kong

13 April 2016

*To the Shareholders,*

Dear Sir or Madam,

**GRANT OF GENERAL MANDATES TO ISSUE AND  
BUY BACK SHARES,  
RE-ELECTION OF DIRECTORS,  
PROPOSED APPOINTMENT OF NEW  
INDEPENDENT NON-EXECUTIVE DIRECTOR  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The primary purposes of this circular are to provide you with information regarding the resolutions to be proposed at the Annual General Meeting and to give you notice of the Annual General Meeting.

## LETTER FROM THE BOARD

Resolutions to be proposed at the Annual General Meeting include ordinary resolutions relating to (a) the grant of each of the General Mandate, the Buy-back Mandate and the Extension Mandate; (b) the re-election of Directors; and (c) the proposed appointment of a new independent non-executive Director.

### **GRANT OF GENERAL MANDATE, BUY-BACK MANDATE AND EXTENSION MANDATE**

The following mandates, which were granted to the Directors pursuant to the ordinary resolutions passed by the Shareholders at the 2015 annual general meeting of the Company held on 20 May 2015, will expire at the conclusion of the Annual General Meeting:

- (A) a general unconditional mandate to allot, issue and deal with the Shares up to a maximum of 20% of the total number of issued Shares as at the date of passing of the relevant resolution;
- (B) a general unconditional mandate to exercise all the powers of the Company to buy back the Shares up to a maximum of 10% of the total number of issued Shares as at the date of passing of the relevant resolution; and
- (C) the power to extend the general mandate mentioned in paragraph (A) immediately above by the number of Shares bought back by the Company pursuant to the mandate to buy back the Shares as referred to in paragraph (B) immediately above.

In view of the forthcoming expiration of the mandates granted to the Directors as mentioned above, the following ordinary resolutions, among other matters, will be proposed at the Annual General Meeting:

- (1) that the Directors be granted the General Mandate to exercise the powers of the Company to allot, issue and otherwise deal with the Shares up to a maximum of 20% of the total number of issued Shares as at the date of passing of such resolution;
- (2) that the Directors be granted the Buy-back Mandate to enable them to buy back the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose up to a maximum of 10% of the total number of issued Shares as at the date of passing of such resolution; and
- (3) that the Directors be granted the Extension Mandate to increase the total number of Shares which may be allotted, issued and dealt with under the General Mandate by an additional number representing such number of Shares bought back under the Buy-back Mandate.

Each of the General Mandate, the Buy-back Mandate and the Extension Mandate will expire (a) at the conclusion of the next annual general meeting of the Company following the

## LETTER FROM THE BOARD

Annual General Meeting; or (b) at the end of the period within which the next annual general meeting of the Company is required by the Companies Law or the Articles to be held; or (c) when the authority given to the Directors thereunder is revoked or varied by an ordinary resolution of the Shareholders in a general meeting prior to the next annual general meeting of the Company, whichever is the earliest.

Based on 5,995,892,043 Shares in issue as at the Latest Practicable Date and on the basis that no new Shares will be issued and no Shares will be bought back by the Company for the period from the Latest Practicable Date up to and including the date of the Annual General Meeting:

- (1) subject to the passing of the proposed resolution granting the General Mandate to the Directors and on the basis that the General Mandate is not to exceed 20% of the total number of issued Shares as at the date of passing of such resolution, the Company will be allowed under the General Mandate to issue up to a maximum of 1,199,178,408 Shares; and
- (2) subject to the passing of the proposed resolution granting the Buy-back Mandate to the Directors and on the basis that the Buy-back Mandate is not to exceed 10% of the total number of issued Shares as at the date of passing of the such resolution, the Company will be allowed under the Buy-back Mandate to buy back up to a maximum of 599,589,204 Shares.

The Board has no immediate plans to allot and issue any new Shares other than Shares which may fall to be allotted and issued upon the exercise of any options granted under the share option scheme of the Company.

Under the Listing Rules, the Company is required to give the Shareholders all information which is reasonably necessary to enable them to make an informed decision as to whether to vote for or against the resolution in respect of the Buy-back Mandate at the Annual General Meeting. An explanatory statement for such purpose is set out in Appendix I to this circular.

### **RE-ELECTION OF DIRECTORS**

Pursuant to article 108(A) of the Articles, at least one-third of the Directors shall retire from office by rotation at each annual general meeting of the Company. Any Director who retires under this article shall then be eligible for re-election as Director. Mr. Tian Qixiang, Mr. Liu Xianggang and Mr. Sun Mingdao shall retire as Directors by rotation at the Annual General Meeting and, all being eligible, offer themselves for re-election as Directors.

The nomination committee of the Board has recommended to the Board the re-election of Mr. Tian Qixiang, Mr. Liu Xianggang and Mr. Sun Mingdao at the Annual General Meeting. Biographical details of Mr. Tian Qixiang, Mr. Liu Xianggang and Mr. Sun Mingdao are set out in Appendix II to this circular.



## LETTER FROM THE BOARD

Mr. Sun Mingdao, being an independent non-executive Director, has given an annual confirmation of independence pursuant to the independence guidelines as set out in Rule 3.13 of the Listing Rules. The Board is of the view that he remains to be independent after assessing his independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules against his latest position. The Board also believes that he has the required character, integrity and experience to fulfill and discharge the roles and duties of an independent non-executive Director and recommends that he should be re-elected as independent non-executive Director at the Annual General Meeting.

### **PROPOSED APPOINTMENT OF NEW INDEPENDENT NON-EXECUTIVE DIRECTOR**

As disclosed in the announcement of the Company dated on 11 January 2016, Mr. Chen Zhijun (“**Mr. Chen**”) tendered his resignation on 7 January 2016 as an independent non-executive Director and a member of each of the audit committee, remuneration committee and nomination committee of the Board due to his personal work arrangements to accord with the relevant requirements of the Ministry of Education of the People’s Republic of China. Mr. Chen’s resignation will become effective from the date of appointment of a new independent non-executive Director.

To fill the vacancy on the Board upon the resignation of Mr. Chen as an independent non-executive Director taking effect, the Board recommends the appointment of Professor Hua Qiang (“**Professor Hua**”) as an independent non-executive Director and an ordinary resolution for his appointment will be put forward for consideration and approval by the Shareholders at the Annual General Meeting.

Professor Hua has given a confirmation of independence pursuant to the independence guidelines set out in Rule 3.13 of the Listing Rules and the Board is satisfied that Professor Hua is independent after assessing his independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules.

Biographical details of Professor Hua are set out in Appendix III to this circular.

### **ANNUAL GENERAL MEETING**

In order to determine Shareholders’ eligibility to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from 13 May 2016 (Friday) to 17 May 2016 (Tuesday) (both days inclusive) during which period no transfer of Shares may be effected. All transfers of Shares accompanied by the relevant share certificates must be lodged with the Branch Share Registrar for registration no later than 4:30 p.m. on 12 May 2016 (Thursday).

## **LETTER FROM THE BOARD**

### **ACTIONS TO BE TAKEN**

Set out on pages 19 to 23 of this circular is a notice convening the Annual General Meeting at which resolutions will be proposed to approve, among other matters, the following:

- (a) the grant of the General Mandate, Buy-back Mandate and Extension Mandate;
- (b) the re-election of Directors; and
- (c) the proposed appointment of the new independent non-executive Director.

Any vote of the Shareholders at the Annual General Meeting will be taken by poll.

Whether or not you intend to attend the Annual General Meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Branch Share Registrar soon as possible and in any event not less than 48 hours before the time of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

### **RECOMMENDATIONS**

The Board considers that the ordinary resolutions in relation to (i) the grant of the General Mandate, the Buy-back Mandate and the Extension Mandate, (ii) the re-election of Directors to be proposed at the Annual General Meeting and (iii) the proposed appointment of new independent non-executive Director are in the best interests of the Company and the Shareholders as a whole and recommends the Shareholders to vote in favour of such resolutions at the Annual General Meeting.

### **GENERAL INFORMATION**

Your attention is drawn to the additional information set out in the appendices to this circular.

**LETTER FROM THE BOARD**

**MISCELLANEOUS**

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,  
By order of the Board  
**China Starch Holdings Limited**  
**Tian Qixiang**  
*Chairman*

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the grant of the Buy-back Mandate to the Directors.

## **1. LISTING RULES RELATING TO THE BUY-BACK OF SHARES**

The Listing Rules permit companies whose primary listings are on the Stock Exchange to buy back their securities on the Stock Exchange and any other stock exchange on which securities of the company are listed and such exchange is recognised by the Securities and Futures Commission of Hong Kong subject to certain restrictions. Among such restrictions, the Listing Rules provide that the shares of such company must be fully paid up and all buy-backs of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general mandate or by specific approval of a particular transaction.

## **2. SHARE CAPITAL**

As at the Latest Practicable Date, there were a total of 5,995,892,043 Shares in issue.

Subject to the passing of the proposed resolution granting the Buy-back Mandate and on the basis that the Buy-back Mandate is not to exceed 10% of the total number of issued Shares as at the date of passing of the such resolution and that no new Shares are issued and no Shares are bought back for the period from the Latest Practicable Date up to and including the date of the Annual General Meeting, the Company will be allowed under the Buy-back Mandate to buy back up to a maximum of 599,589,204 Shares.

## **3. REASONS FOR THE BUY-BACKS**

The Directors believe that the Buy-back Mandate is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to buy back Shares on the Stock Exchange or any other stock exchange on which the Shares are listed. Such buy-backs may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such buy-backs will benefit the Company and the Shareholders as a whole.

## **4. FUNDING OF BUY-BACKS**

Buy-backs made pursuant to the Buy-back Mandate would be funded out of funds legally available for the purpose in accordance with the Company's memorandum of association, the Articles, the Companies Law, other applicable laws of the Cayman Islands and the Listing Rules. A listed company is prohibited from buying back its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the Listing Rules as in force from time to time. Under the Companies Law, buy-backs by

the Company may be made out of the profits of the Company, out of the Company's share premium account or out of the proceeds of a fresh issue of Shares made for the purpose of the buy-back, or, if so authorised by the Articles and subject to the provisions of the Companies Law, out of capital. Any premium payable on a redemption or bought back over the par value of the Shares to be bought back must be provided for out of profits of the Company or from sums standing to the credit of the Company's share premium account, or, if so authorised by the Articles and subject to the provisions of the Companies Law, out of capital.

## 5. MATERIAL ADVERSE IMPACT IN THE EVENT OF BUY-BACK IN FULL

Taking into account the current working capital position of the Group, the Directors consider that, if the Buy-back Mandate were to be carried out in full at any time during the proposed buy-back period, it might have a material adverse impact on the working capital and/or gearing position of the Company as compared with the position as at 31 December 2015, being the date to which its latest published audited consolidated financial statements were made up. However, the Directors do not intend to exercise the Buy-back Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital requirements or the gearing position of the Company and would only exercise the Buy-back Mandate to such extent which, in the opinion of the Directors, are from time to time appropriate for the Company.

## 6. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the twelve calendar months immediately preceding (and including) the Latest Practicable Date were as follows:

	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2015</b>		
April	0.229	0.171
May	0.250	0.208
June	0.260	0.198
July	0.204	0.144
August	0.182	0.141
September	0.158	0.142
October	0.170	0.152
November	0.169	0.151
December	0.160	0.143
<b>2016</b>		
January	0.155	0.130
February	0.163	0.132
March	0.163	0.146
April (up to the Latest Practicable Date)	0.154	0.146

**7. UNDERTAKING**

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make buy-backs under the Buy-back Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands and in accordance with the regulations set out in the memorandum of association of the Company and the Articles.

**8. CORE CONNECTED PERSON**

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates, have any present intention to sell any Shares to the Company if the Buy-back Mandate is approved by the Shareholders at the Annual General Meeting.

No core connected person of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has any such core connected person undertaken not to sell any Shares held by him/her/it to the Company, in the event that the grant of Buy-back Mandate to the Directors is approved by the Shareholders at the Annual General Meeting.

**9. THE TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING**

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to buy back securities pursuant to the Buy-back Mandate, such increase will be treated as an acquisition of the voting rights for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert (as defined in the Takeovers Code) could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, according to the register of interests kept by the Company pursuant to section 336 of the SFO and so far as is known to, or can be ascertained after reasonable enquiry by the Directors, the following persons were directly or indirectly interested in 5% or more of the issued Shares:

Name	Capacity	Number of Shares held (Note 1)	Approximate percentage of existing shareholding (Note 5)	Approximate percentage of shareholding if the Buy-back Mandate is exercised in full (Note 6)
Merry Boom Group Limited	Beneficial owner	3,705,385,194 (L)	61.79%	68.66%
Mr. Tian Qixiang	Interest of a controlled corporation	3,705,385,194 (L) (Note 2)	61.79%	68.66%
Victory Investment China Group Limited (“VICGL”)	Beneficial owner Person having a security interest	292,000,000 (L) 99,000,000 (L)	6.52% (Notes 3 & 4)	7.24%
Wang Ruiyun	Interest in a controlled corporation	391,000,000 (L)	6.52% (Note 3)	7.24%

*Notes:*

- (1) The letter “L” denotes long position in the Shares.
- (2) These Shares were held by Merry Boom Group Limited, which is owned as to approximately 54.58% by Mr. Tian Qixiang. Mr. Tian Qixiang is deemed to be interested in all the Shares held by Merry Boom Group Limited under the SFO.
- (3) In accordance with the corporate and individual substantial shareholder notices of VICGL and Wang Ruiyun filed on 17 August 2010, they are interested in 145,000,000 underlying Shares through the holding of certain unlisted cash-settled equity derivatives, and VICGL is wholly owned by Wang Ruiyun. Wang Ruiyun is deemed to be interested in all the Shares held by VICGL under the SFO.
- (4) In accordance with the corporate substantial shareholder notice of VICGL filed on 17 August 2010, VICGL holds a long position in 99,000,000 Shares jointly with another corporate shareholder named “Goldstone Fund Ltd (金石基金有限公司)”.
- (5) The percentage of shareholding is calculated on the basis of 5,995,892,043 Shares in issue as at the Latest Practicable Date.

- (6) The percentage of shareholding is calculated on the basis of 5,396,302,839 Shares in issue upon full exercise of the Buy-back Mandate, assuming that 5,995,892,043 Shares are in issue as at the date of the Annual General Meeting.

On the basis of 5,995,892,043 Shares in issue as at the Latest Practicable Date and assuming there is no further issue or buy-back of Shares during the period from the Latest Practicable Date up to and including the date of the Annual General Meeting, if the Buy-back Mandate were exercised in full, the percentage shareholding of (i) Merry Boom Group Limited and Mr. Tian Qixiang and (ii) VICGL and Wang Ruiyun would respectively increase to approximately 68.66% and 7.24% of the total number of Shares in issue. Such increase would not give rise to an obligation on the part of any of the above substantial shareholders to make a mandatory offer under Rule 26 of the Takeovers Code but would result in a reduction of the percentage shareholding held in public hands to less than 25% of the total number of Shares in issue.

Save as mentioned above, the Directors are currently not aware of any consequences which will arise under the Takeovers Code as a result of any purchase made under the Buy-back Mandate.

The Directors have no intention to exercise the Buy-back Mandate to such an extent that would result in the number of Shares in the hands of public falling below the prescribed minimum percentage of 25%.

#### **10. SHARE BUY-BACK MADE BY THE COMPANY**

The Company had not bought back any of the Shares (whether on the Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.



Set out below are the biographical details of the retiring Directors, who being eligible, would offer themselves for re-election at the Annual General Meeting:

### Executive Directors

#### Mr. Tian Qixiang

Mr. Tian Qixiang, aged 52, is the chairman of the Board and a member of each of the nomination committee and remuneration committee of the Board. Mr. Tian is principally responsible for the Group's strategic positioning. He is also responsible for formulating the Group's business development objectives and ensuring that such objectives are implemented by the Board accordingly. Mr. Tian has been appointed as the chairman of the board of directors of Shandong Shouguang Juneng Golden Corn Development Co., Ltd. ("**Golden Corn**"), an indirect wholly owned subsidiary of the Company, since 1 June 2015 where he had also served as chairman during the periods from July 2003 (when he first joined the Group) to October 2005 and from August 2006 to July 2012 respectively. Mr. Tian had been working for Electricity Supply Company of Shouguang City ("**Shouguang Electricity Supply Company**") since 1984. He was appointed as the deputy manager of Shouguang Electricity Supply Company in October 1985, and was further appointed as its deputy party secretary in May 1990. Mr. Tian had been the manager and party member of Shouguang Electricity Supply Company since March 2000. He resigned from all his positions in Shouguang Electricity Supply Company on 3 December 2014. Mr. Tian possesses substantial experience in corporate management.

Mr. Tian completed his study of Electricity and Water Irrigation from Water and Electricity Machinery School in 1981 and graduated from The Shandong Province Party Committee School of the People's Republic of China with a diploma in Economics Management in 1996. Mr. Tian obtained the qualification as a senior economist in December 2002.

As at the Latest Practicable Date, Mr. Tian is beneficially interested in approximately 61.79% of the issued share capital of Merry Boom Group Limited ("**Merry Boom**"), a substantial shareholder of the Company, and is also a director of Merry Boom.

Mr. Tian has entered into a service contract with the Company for an initial term of three years with effect from 5 September 2007, which is renewable automatically for successive terms of one year upon expiry of the then current term of his appointment, unless terminated by either party giving three month's written notice to the other. Pursuant to a supplemental agreement to Mr. Tian's service contract entered into by him and the Company on 27 February 2015, Mr. Tian's annual salary has been revised from RMB516,000 to RMB264,000 with effect from 1 March 2015. In addition, the salary increment of his annual salary by not more than 10% per annum has no longer been applicable subsequent to 1 March 2015. Mr. Tian is still entitled to a discretionary management bonus provided that the aggregate amount of bonuses payable to all the executive Directors for any financial year of the Company shall not exceed 5% of all the audited consolidated or combined net profit of the Group (after taxation and minority interests

and payment of such bonuses but before extraordinary or exceptional items) in respect of that financial year of the Company. Mr. Tian's annual salary and bonus are determined with reference to his duties and responsibilities with the Company and the Company's remuneration policy and are subject to review by the Board from time to time.

Save as disclosed above, (a) Mr. Tian did not hold any directorships in other listed public companies in the past three years; (b) he does not have any relationship with any other directors, senior management, substantial or controlling Shareholder of the Company and had no interests in the Shares, underlying Shares and debentures of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date; (c) there is no other information which is discloseable pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules; and (d) there are no other matters that need to be brought to the attention of the Shareholders.

### **Mr. Liu Xianggang**

Mr. Liu Xianggang, aged 47, joined Golden Corn as a factory supervisor in 1998 and has been a director of Golden Corn since October 2005. Mr. Liu has been as a director of Linqing Deneng Golden Corn Bio Limited since March 2008 and was its general manager from March 2008 to December 2012. He is responsible for the Group's production technology developments and cornstarch production.

Mr. Liu graduated from Shandong Industrial University (subsequently amalgamated into Shandong University in 2000) in 1990 with an undergraduate degree in Industrial Management, and obtained a postgraduate diploma in Industrial Economics from the Economics School of Shandong University in 2003. Mr. Liu also obtained a Master of Business Administration degree from Shandong University in 2012. Mr. Liu obtained the qualification as senior engineer in 2002. Mr. Liu is the deputy supervisor of the Cornstarch Professionals Committee of China Starch Industry Association.

Mr. Liu has entered into a service contract with the Company for an initial term of three years with effect from 5 September 2007, which is renewable automatically for successive terms of one year upon expiry of the then current term of his appointment, unless terminated by either party giving three month's written notice to the other. Pursuant to a supplemental agreement to Mr. Liu's service contract entered into by him and the Company on 27 February 2015, Mr. Liu's annual salary has been revised from RMB277,200 to RMB210,000 with effect from 1 March 2015. In addition, the salary increment of his annual salary by not more than 10% per annum has no longer been applicable subsequent to 1 March 2015. Mr. Liu is still entitled to a discretionary management bonus provided that the aggregate amount of bonuses payable to all the executive Directors for any financial year of the Company shall not exceed 5% of all the audited consolidated or combined net profit of the Group (after taxation and minority interests and payment of such bonuses but before extraordinary or exceptional items) in respect of that financial year of the Company. Mr. Liu's annual salary and bonus are determined with reference to his duties and responsibilities with the Company and the Company's remuneration policy and are subject to review by the Board from time to time.

Save as disclosed above, (a) Mr. Liu did not hold any directorships in other listed public companies in the past three years; (b) he does not have any relationship with any other directors, senior management, substantial or controlling Shareholder of the Company and had no interests in the Shares, underlying Shares and debentures of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date; (c) there is no other information which is discloseable pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules; and (d) there are no other matters that need to be brought to the attention of the Shareholders.

### **Independent non-executive Director**

#### **Mr. Sun Mingdao**

Mr. Sun Mingdao, aged 67, has been appointed as an independent non-executive Director on 5 September 2013. He also serves as a member of each of the audit committee, nomination committee and remuneration committee of the Board. Mr. Sun was appointed as the chief secretary of China Starch Industry Association in November 2011 for an original term of four years, which had been extended to June 2016.

Mr. Sun was also appointed as a deputy supervisor of the Professionals Committee of China Starch Industry Association in November 2015. Mr. Sun was a vice chairman of the Technical Committee on Food-grade Starch and Starch Derivatives under the Standardization Administration of the People's Republic of China. Mr. Sun had been a deputy director of the research centre and a vice general manager of Wuhan Huali Environmental Technology Co., Ltd. from 2001 to 2007.

Mr. Sun had been appointed as an independent non-executive Director for a fixed term of one year commencing from 5 September 2013, which is automatically renewable for successive terms of one year upon expiry of the then current term of his appointment, unless terminated in accordance with the terms of his letter of appointment. Mr. Sun is entitled to an annual director's fee of RMB50,000 under his letter of appointment, which is determined with reference to his duties and responsibilities in the Company. Save for the director's fees, Mr. Sun is not expected to receive any other remuneration for holding his office as an independent non-executive Director.

Save as disclosed above, (a) Mr. Sun did not hold any directorships in other listed public companies in the past three years; (b) he does not have any relationship with any other directors, senior management, substantial or controlling Shareholder of the Company and had no interests in the Shares, underlying Shares and debentures of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date; (c) there is no other information which is discloseable pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules; and (d) there are no other matters that need to be brought to the attention of the Shareholders.

Set out below are the biographical details of the candidate proposed to be appointed as a new independent non-executive Director at the Annual General Meeting:

### **Professor Hua Qiang**

Professor Hua Qiang (“**Professor Hua**”), aged 44, has been a professor of the School of Biotechnology and the State Key Laboratory of Bioreactor Engineering of the East China University of Science and Technology since 2008. Professor Hua obtained a bachelor and a master degree in chemical engineering (major in biochemical engineering) from the Zhejiang University in 1993 and 1996 respectively. He also obtained a doctoral degree in information engineering from the Kyushu Institute of Technology (Japan) in 2000. He was appointed as an assistant professor of Institute for Advanced Biosciences of the Keio University (Japan) from 2001 to 2004, and was appointed as a postdoctoral scholar of the Department of Bioengineering of the University of California, San Diego from 2004 to 2007. He had also been a medical research scientist for Sanford Burnham Prebys Medical Discovery Institute (formerly known as “Burnham Institute for Medical Research”) (the United State of America) from 2007 to 2008.

Subject to Professor Hua’s appointment as an independent non-executive Director having been approved by the Shareholders at the Annual General Meeting, he will enter into a letter of appointment with the Company for his appointment as an independent non-executive Director for a fixed term of one year commencing from the conclusion of the Annual General Meeting, which is automatically renewable for successive terms of one year upon expiry of the then current term of his appointment, unless terminated in accordance with the terms of his letter of appointment. The proposed director’s fee of RMB50,000 per annum payable to Professor Hua was determined by the Board upon the recommendation by its remuneration committee, taking into account factors including the prevailing market remuneration level in comparable companies, his duties and responsibilities in and time commitment to the Company. Save for the director’s fees, Professor Hua is not expected to receive any other remuneration for holding his office as an independent non-executive Director.

Save as disclosed above, (a) Professor Hua did not hold any directorships in other listed public companies in the past three years; (b) he does not have any relationship with any other directors, senior management, substantial or controlling Shareholder of the Company and had no interests in the Shares, underlying Shares and debentures of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date; (c) there is no other information which is discloseable pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules; and (d) there are no other matters that need to be brought to the attention of the Shareholders.

## NOTICE OF ANNUAL GENERAL MEETING



### CHINA STARCH HOLDINGS LIMITED

### 中國澱粉控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3838)**

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting of China Starch Holdings Limited (“**Company**”) will be held at Macau Room II, Shangri-La Hotel, East Side, Railway Station, 1002 Jianshe Road, Shenzhen, The People’s Republic of China at 10:30 a.m. on 17 May 2016 (Tuesday) to consider and, if thought fit, transact the following ordinary businesses:

1. to receive and approve the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors (“**Directors**”) and the auditors (“**Auditors**”) of the Company for the year ended 31 December 2015;
2. to re-elect the retiring Directors, each as separate resolution, and to authorise the board (“**Board**”) of Directors to fix the remuneration of the Directors;
3. to appoint Professor Hua Qiang as a new independent non-executive Director and to authorise the Board to fix his remuneration;
4. to re-appoint PricewaterhouseCoopers as the Auditors for the year ending 31 December 2016 and to authorise the Board to fix their remuneration;
5. to pass, with or without modifications, the following resolutions as **ordinary resolutions**:
  - (1) “**THAT**:
    - (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and all other applicable laws, the exercise by the directors (“**Directors**”) of the Company during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and deal with the unissued shares (“**Shares**”) of HK\$0.10 each in the share capital of the Company, and to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry

## NOTICE OF ANNUAL GENERAL MEETING

rights to subscribe for or are convertible into Shares) which would or might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of Shares allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
  - (i) a Rights Issue (as hereinafter defined in paragraph (d) below);
  - (ii) the exercise of options granted under the share option scheme or similar arrangement for the time being adopted by the Company from time to time;
  - (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association (“**Articles**”) of the Company and other relevant regulations in force from time to time; or
  - (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares;

shall not exceed 20% of the total number of Shares in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

- (d) for the purpose of this resolution numbered 5(1):

“**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;

## NOTICE OF ANNUAL GENERAL MEETING

- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable law of the Cayman Islands to be held; or
- (iii) the date on which such mandate granted under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to the holders of Shares or any class of Shares whose names appear on the registers of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expenses or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

(2) “**THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors (“**Director**”) of the Company during the Relevant Period (as defined in paragraph (c) below) of all the powers of the Company to buy back the shares (“**Shares**”) of HK\$0.10 each in the share capital of the Company on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) or any other stock exchange on which Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong (“**SFC**”) and the Stock Exchange for such purpose, and subject to and in accordance with the rules and regulations of the SFC, the Stock Exchange, the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and all other applicable laws as amended from time to time in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate number of Shares which may be bought back or agreed to be bought back by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the total number of Shares in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

**NOTICE OF ANNUAL GENERAL MEETING**

- (c) for the purpose of this resolution numbered 5(2), “**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company;
  - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of the Company or any other applicable law of the Cayman Islands to be held; or
  - (iii) the date on which such mandate granted under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”
- (3) “**THAT** conditional upon resolutions numbered 5(1) and 5(2) above being passed, the unconditional general mandate granted to the directors (“**Director**”) of the Company to allot, issue and deal with the shares of the Company pursuant to resolution numbered 5(1) above be and it is hereby extended by the addition to the total number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Director pursuant to or in accordance with such general mandate of an amount representing the aggregate number of Shares bought back by the Company pursuant to or in accordance with the authority granted under paragraph (a) of resolution numbered 5(2) above.”

Yours faithfully,  
By order of the Board  
**China Starch Holdings Limited**  
**Tian Qixiang**  
*Chairman*

Hong Kong, 13 April 2016

*Registered office:*  
Cricket Square, Hutchins Drive,  
P.O. Box 2681,  
Grand Cayman KY1-1111,  
Cayman Islands

*Head office and principal place  
of business in Hong Kong:*  
Suite 3312, Tower 1,  
Times Square,  
1 Matheson Street,  
Causeway Bay,  
Hong Kong



## NOTICE OF ANNUAL GENERAL MEETING

*Notes:*

1. A member of the Company entitled to attend and vote at the meeting above is entitled to appoint another person as his proxy to attend and vote in his stead. A member who is the holder of two or more shares (“Shares”) of the Company may appoint more than one proxy to represent him and vote on his behalf at the above meeting. A proxy need not be a member of the Company.
2. In the case of joint holders of Shares, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if it/he/she were solely entitled thereto, but if more than one of such joint holders are present at the above meeting, personally or by proxy, that one of the said persons so present whose name stands first in the register in respect of such Shares shall alone be entitled to vote in respect thereof.
3. To be valid, a form of proxy in the prescribed form together with the power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, must be deposited at the Company’s Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time fixed for holding the meeting (or any adjourned meeting).
4. To ascertain shareholders’ eligibility to attend and vote at the annual general meeting, the register of members will be closed from 13 May 2016 (Friday) to 17 May 2016 (Tuesday), both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for attending the above meeting or any adjournment thereof, all transfer of Shares accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar and transfer office, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong by no later than 4:30 p.m. on 12 May 2016 (Thursday).
5. Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the above meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.

*As at the date of this notice, the directors of the Company are:*

*Executive Directors:*

Mr. Tian Qixiang (*Chairman*)  
Mr. Gao Shijun (*Chief Executive Officer*)  
Mr. Yu Yingquan  
Mr. Liu Xianggang

*Independent non-executive Directors:*

Mr. Yue Kwai Wa, Ken  
Mr. Chen Zhijun  
Mr. Sun Mingdao